

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SHEA DEVELOPMENT CORP., BRAVERA, INC.,
and IP HOLDING OF NEVADA CORP.

Plaintiffs,

v.

07 Civ. 11201 (DLC) (GWG)

CHRISTOPHER WATSON and ELIZABETH ANNE
CONLEY,

Defendants.
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DECLARATION OF SHERI PANTERMUEHL

I, Sheri Pantermuehl, hereby declare as follows:

1. I am the Controller for Riptide Worldwide, Inc., formerly known as Shea Development Corp. ("Shea"), the plaintiff in this action.
2. In keeping with the parties' Settlement, on or about August 1, 2007, I contacted Christopher Watson's ("Watson") CPA about the tax liability issue that Shea had inherited after the Merger with Watson's company, Bravera.
3. I advised the CPA that the IRS had scheduled a hearing on August 27, 2008, and I provided him with a copy of the letter from the IRS. See Shea Ex. 5.
4. On August 8, 2008, I contacted the CPA to check on the status of this matter. See Shea Ex. 6.
5. On August 18, 2008, Watson forwarded me a copy of his email exchange with his CPA, who stated that he was researching the matter with an outside vendor. See Shea Ex. 7.
6. Thereafter, I learned that the CPA had provided certain information to the IRS and the Commonwealth of Virginia.

7. On August 27, 2008, I participated in the telephone conference hearing with the IRS. At that time, the IRS agreed to review the information and consider the parties' request for an abatement of the tax liability. The IRS gave no indication when a decision would be made.

8. No meeting or hearing has been held with the Commonwealth of Virginia, and I do not know when that matter might be resolved.

9. I have attempted to cooperate fully with Watson and his CPA to resolve the tax liability issue.

10. I am unaware of any basis in fact for Watson's contention that Shea hindered in any way the resolution of the tax liability issue.

I declare that the foregoing declarations are correct under the penalty of perjury.

Dated: 8/29/08

Sheri Pantermuehl
Sheri Pantermuehl, Controller
Riptide Worldwide, Inc., f/k/a
Shea Development Corp.

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